



Mayor & Council of Berlin

10 William Street, Berlin, Maryland 21811

Phone 410-641-2770 Fax 410-641-2316

www.berlinmd.gov



Mayor

Wm. Gee Williams, III

Vice President

Elroy Brittingham, Sr.

Council Members

Dean Burrell, Sr.

Lisa Hall

Paula Lynch

Troy Purnell

BERLIN, MARYLAND

MAYOR AND COUNCIL MEETING

Town Attorney

David Gaskill

MONDAY, AUGUST 8, 2011

Town Administrator

Anthony J. Carson, Jr.

**COUNCIL CHAMBERS – BERLIN TOWN HALL
10 WILLIAM STREET
BERLIN, MD 21811**

EXECUTIVE SESSION6:30 PM

REGULAR SESSION7:00 PM

Anyone having questions about the meetings mentioned above or needing special accommodations should contact Tony Carson, Town Administrator at (410) 641-4144

TTY users dial 7-1-1 in the State of Maryland

TTY users outside Maryland dial 1-800-735-2258

**BERLIN MAYOR AND COUNCIL
COUNCIL MEETING
AGENDA**

Monday, August 8, 2011

6:30 PM EXECUTIVE SESSION - Berlin Conference Room

7:00 PM REGULAR SESSION – Berlin Town Hall Council Chambers

1. Approval of the Minutes for:
 Executive Session of the Mayor and Council on July 25, 2011
 Statement of Closure for Mayor and Council on July 25, 2011
 Regular Session of the Mayor and Council on July 25, 2011
2. Request for Special Event – Praise in the Park, October 1, 2011; 8am to 7:30 PM
 Calvary Pentecostal Church (Marvin Smith & Curtis Mercer)
3. Public Hearing – Ordinance 2011-05
 An ordinance enacting the sale of 1999 Dodge Grand Voyager Minivan by means of
 listing on the on-line public auction site of Gov Deals.
4. Public Works Agreement – Windy Way Farm, Inc.
5. Water and Sewer Allocation Agreement for Purnell Crossing South
6. Introduction and Approval – Resolution 2011-07
 A Resolution to issue and sell general obligation installment bonds in the aggregate
 principal amount of \$2,462,000.00 for the project known as the Effluent Storage and
 Irrigation System.
7. Departmental Reports
 - a. Finance – Lynn Musgrave
 - b. Public Works – Mike Gibbons
 - c. Water Resources – Jane Kreiter
 - d. Electric – Tim Lawrence
 - e. Police – Arnold Downing
 - f. Planning and Zoning – Chuck Ward
 - g. Human Resources – Jeff Fleetwood
 - h. Economic and Community Development – Michael Day
8. Town Administrator's Report
9. Comments from the Mayor
10. Comments from the Council
11. Comments from the Public

12. Comments from the Press

13. Adjournment

MAYOR AND COUNCIL OF BERLIN, MARYLAND
Regular Session Council Minutes
Monday, July 25, 2011

The meeting of the Mayor and Council for Monday, July 25, 2011 was called to order by Mayor Williams at approximately 7:05 p.m. Council members Lynch, Purnell, Brittingham, Hall and Burrell were present, as well as Town Administrator Tony Carson, Electric Utility Director Tim Lawrence, Administrative Assistant Sharon Timmons, Human Resources Director Jeff Fleetwood, Economic and Community Development Director Michael Day, Finance Director Lynn Musgrave, Public Works Director Mike Gibbons, Police Chief Arnold Downing, Town Attorney David Gaskill, Deputy Town Administrator Mary Bohlen and Water Resources Director Jane Kreiter. Planning and Zoning Director Chuck Ward was absent.

Following the recitation of the Lord's Prayer and the Pledge of Allegiance, Mayor Williams asked for approval of the Executive Session minutes of July 11, 2011. Councilmember Lynch made a motion to approve and the council voted unanimously to approve 5-0. Mayor Williams stated that the Executive Session was closed to discuss a preliminary matter that concerns the proposal for a business or industrial organization to locate, expand or remain in the State. Mayor Williams asked for a motion to approve the Regular Session Minutes of July 11, 2011. Councilmember Brittingham made a motion to approve the minutes and the council voted unanimously to approve 5-0. Mayor Williams asked for a motion to approve the Worksession minutes of July 18th. Councilmember Lynch stated that the issues of vacant and boarded up properties were also discussed and needed to be added to the minutes in Paragraph 2. Councilmember Brittingham made a motion to approve the minutes with the correction and the council voted unanimously to approve 5-0.

Police Chief Arnold Downing came before the council for approval of the Special event known as National Night Out to be held on August 2nd at William Henry Park. Councilmember Burrell made a motion to approve the event and council voted unanimously to approve 5-0.

Economic and Community Development Director Michael Day came before the council for approval of the Special Event known as the Berlin Sidewalk Sale to be held August 12th – 14th. Mr. Day stated that the only change from previous years was that Victorian Charm had requested Commerce Street be blocked off on Sunday from 10 am to 5 pm. Councilmember Brittingham made a motion to approve the event and council voted unanimously to approve 5-0.

Mayor Williams announced that the Berlin Little League 9 & 10 year old All Stars had won the Maryland State Championship and would be traveling to Rhode Island for the Eastern Regional Tournament. He had received several calls requesting a celebratory parade upon their return. The parade will occur prior to the Peach Festival on August 14th at 11:00 a.m. beginning at Tripoli Street and ending at the Taylor Museum where a short ceremony and recognition from the Town will take place. Councilmember Hall made a motion to approve the parade and council voted to approve 5-0. Mayor Williams then asked council to consider a request to donate \$2,000 from the Special Appropriations account to assist with their travel. Councilmember Brittingham made a motion to approve the donation of \$2,000 to the Little League All Stars for travel and council voted unanimously to approve 5-0.

Mayor Williams explained the request for abatement of Berlin Town taxes for fiscal year 2011/2012 for Property ID# 03-034534 associated with the Berlin Community Housing Corporation for the amount of \$1,627.90 and for Property ID# 03-034542 associated with BCIA for the amount of \$1,323.49. Mayor Williams stated that the organizations associated with these properties had resolved both the internal and financial issues from the past. Councilmember Burrell made a motion to approve the tax abatements for Property ID# 03-034534 & ID# 03-034542 and council voted unanimously to approve 5-0.

Town Administrator Tony Carson explained the request for abatement of Berlin town taxes for Property ID# 03-018288 associated with Kwang Oak and Soon-AB Park for the Burley Oak Brewery. The Mayor and Council had agreed back in March 2010 to extend the abatement to the property owner in the amount of \$4,000.00 with the stipulation that the business be operational in the years that the tax abatement would occur. Mr. Carson stated that he had spoken with Mr. Park and that Mr. Park had stated that he would like to receive the abatement of \$2,000.00 for fiscal year 2011/2012 and \$2,000.00 in fiscal year 2012/2013. At that time the abatement would end. Councilmember Burrell made a motion to approve the abatements of \$2,000 for fiscal year 2011/2012 and \$2,000 for fiscal year 2012/2013 and council voted to approve 4-1 with Councilmember Purnell opposed.

Ordinance 2011-05 was introduced. This ordinance enacts the sale of a 1999 Dodge Grand Voyages Minivan by means of listing on the on-line public auction site Gov Deals. The public hearing will be held on August 8, 2011. Mr. Carson recommended that all future surplus requests be addressed to the council in the form of a Resolution.

The discussion regarding the Public Works Agreement for Windy Way Farms, Inc. was tabled.

Departmental reports began with Finance Director Lynn Musgrave reporting that due to the lightning strikes from the storm on Sunday, the Town had experienced computer problems and that the online pay system was down. She anticipated that the system should be up and running fully by Wednesday morning. She continued her report by stating that financials would be sent out first thing Tuesday morning.

Deputy Town Administrator Mary Bohlen reported that the lightning strikes had disabled the internet and email service to all of the Town departments, but Cards Computers had been here all day working on it and anticipated services would be restored by the morning.

Public Works Director Mike Gibbons reported that he had attended a two day conference on Stormwater Certification and received his stormwater inspection certification.

Water Resources Director Jane Kreiter reported that construction on the force main had begun and that the Water Resources department had completed their inventory lists for the upcoming audit. Mayor Williams inquired about a date for a tour of the new wastewater treatment plant. Discussion followed. It was decided that the tour would take place at 6:00 p.m. on August 22nd.

Electric Utility Director Tim Lawrence reported on the power outages on July 19th and July 24th. Mr. Lawrence stated that the Town incurred 18 lightning strikes on the system with 3 transformers being destroyed and damage also occurred to the Power Plant relay system and substation computer. He continued his report by stating that the Town had generated 5 days last week and 3 days the prior week. Mayor Williams acknowledged the extraordinary work and efforts of the utility crew during the storms and outage periods.

Human Resources Director Jeff Fleetwood reported that once all information had been received regarding damages from the storms and outages, he would begin submitting insurance claims.

Police Chief Arnold Downing reported that the Police department had assisted the Fire department during the outages and storms and had incurred damage to their server and fax machine and were still assessing damages. He continued his report by stating that two new police officers had been sworn in and that his department had been conducting wellness checks on the elderly throughout town due to the heat.

Human Resources Director Jeff Fleetwood informed the Mayor and Council that they should have received new phone and organizational charts in their packets. He stated that IWIF would be here for the annual audit on August 18th.

Economic and Community Development Director Michael Day reported that the Town had received the Main Street Accreditation for the second year in a row and that he would be attending a training workshop on Sustainable Communities on August 2nd.

Town Administrator Tony Carson requested approval of 7 purchase orders (2012002328, 201200207, 201200209, 201200168, 201200169, 201200231 and 201200244). Councilmember Brittingham made a motion to approve all 7 purchase orders and council voted unanimously to approve 5-0. Councilmember Hall questioned the purchases regarding fuel oil and Mr. Lawrence stated that fuel oil needed to be purchased ahead of time in anticipation of generation. Discussion continued on PO# 201200244 and Mr. Carson stated that the purchase qualified for reimbursement under the existing bond funds for the Power Plant.

Mayor Williams spoke of the ribbon cutting for the new Dental Office located on William Street.

Mayor Williams asked for questions from the council. Councilmember Hall expressed her concerns regarding parking on Pitts Street. Discussion followed. Councilmember Lynch inquired if the employee handbook had been updated recently and if so, she would like a copy.

Mayor Williams asked for comments from the public. Resident Sue Beaman stated that her garden had been doing well and had brought cucumbers in for the public.

Mayor Williams asked for questions from the press, there being none, Councilmember Burrell made a motion to adjourn and the meeting ended at 8:01 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Sharon Timmons".

Sharon Timmons
Administrative Assistant

ORDINANCE 2011-05

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF BERLIN, A
MUNICIPAL CORPORATION OF THE STATE OF MARYLAND

NOW, THEREFORE, BE IT ORDAINED AND ENACTED that the Mayor and
Council of Berlin will sell, by means of listing on the GOV
DEALS online public auction site, or otherwise dispose of the
following property pursuant to Section C13-1 of the Charter;

1999 Dodge Grand Voyager Minivan
VIN# 2B4GP24G9XR213524

The Mayor and Council have determined that the property is no
longer needed for public use and by law will be disposed of
pursuant to State Law.

ADOPTED THIS _____ DAY OF _____, 2011 BY THE MAYOR AND
COUNCIL OF THE TOWN OF BERLIN BY AFFIRMATIVE VOTE OF _____ TO
_____ OPPOSED, WITH _____ ABSTAINING.

Wm. Gee Williams, III, Mayor

APPROVED THIS _____ DAY OF _____, 2011

Elroy Brittingham, Sr., VP Council

ATTEST:

Anthony J. Carson, Jr.
Town Administrator

**TOWN OF BERLIN
PUBLIC WORKS AGREEMENT**

THIS PUBLIC WORKS AGREEMENT ("Agreement") made and executed this day
of 20 , by and between the Mayor and Council of Berlin Maryland, a municipal
corporation of the State of Maryland, (hereinafter "Town") and Windy Way Farm, Inc. a
_____ (corporation / limited liability company / partnership / limited
partnership / sole proprietorship) (hereinafter "Developer").

RECITALS

WHEREAS, Developer is the owner of the property located on Map 300 Parcel 1222
situated in the Town of Berlin, Worcester County, Maryland (hereinafter "Subject Property");
and

WHEREAS, the Subject Property is proposed to be developed into a
PVD-Purnell Crossing South _____, as set forth on the construction plans
for Purnell Crossing South dated _____ 2016, and prepared by
JW Salm _____, registered engineers and/or surveyors, which
have been reviewed by the Town Engineer and Town Staff and approved by the Mayor and
Council, (hereinafter "Construction Plans"). The Construction Plans and site plans together with
all subsequent amendments and revisions thereto duly approved by all proper governmental
authorities are attached hereto and made a part hereof as Exhibit A; and

WHEREAS, the Developer and Town have also agreed that other off-site work and
improvements will be required of the Developer in connection with development of the Subject
Property. The terms and requirements of any such off-site work are set forth in Exhibit B; and

Revised 3/16/09

WHEREAS, all work shall be performed in accordance with the documents contained in Exhibit A, and, ~~if additional off-site work is also required, Exhibit B, and shall include:~~ ~~X~~ ~~A~~ H

A. The construction of roadway systems, storm water systems, curbs, gutters, sidewalks, street lights, water mains, water services, pump stations, force mains, sewer mains, sewer laterals and other related work (hereinafter "Improvements") in accordance with the Town's specifications contained in the document titled "Town of Berlin, Maryland Construction Standards and Specifications for Water, Sewer and Streets," latest edition (hereinafter "Town Standards"); and

WHEREAS, prior to plat recordation, and subject to the other provisions herein, the Developer will provide the Town with an acceptable performance, payment and guarantee bond or irrevocable letter of credit, or other satisfactory form of financial guarantee to ensure completion of the Improvements and other obligations herein described. The required bonds may be submitted based on phased development; and

~~WHEREAS, the Developer applied for an allocation of water and sewer service for the Subject Property which application was approved by the Town on _____, 20____.~~ NA
H

NOW, THEREFORE, in consideration of the mutual understandings and agreements contained herein, which all parties to this Agreement recognize as sufficient consideration, the parties covenant and agree as follows:

I. RESPONSIBILITIES SPECIFIC TO PORTIONS OF THE WORK.

A. DEVELOPER SHALL:

1. Secure a performance bond naming the Town as payee in the amount of 150% of the contractor's construction estimate. The performance bond shall

be approved by the Mayor and Council subject to review recommendation of the Town Engineer and Town Staff.

2. Secure a payment bond naming the Town as payee in the amount of 100% of the contractor's labor cost estimate. The payment bond shall be approved by the Mayor and Council subject to review and recommendation of the Town Engineer and Town Staff.
3. Pay to the Town, and prior to any construction, a construction inspection fee for the approved Improvements (hereinafter "Fee"). This Fee shall be used by the Town to reimburse it for all engineering and construction administration costs including, but not limited to, reviewing shop drawings and construction documents, performing construction inspections, and the testing and administration of the construction of the Improvements.
amount of the Fee shall be estimated by the Town and paid into an escrow account established by the Town. If the Town determines that the amount of the Fee paid by the Developer is insufficient to pay all of the Town's expenses the Developer shall pay additional amounts as required by the Town. The Town shall return to the Developer any unused amounts of the Fee no later than the end date of the two year guarantee bond required by Section II. E. of this Agreement.
4. Complete construction of all Improvements required under this Agreement on or before November 15, 2011
5. Secure and record in the Land Records all required easements, rights of way, land dedications, etc., prior to execution of this Agreement.

6. Comply with all of the general responsibilities of Developer described in Paragraph II of this Agreement.
- 7 Prepare as-built surveys of roads, storm water management, water and sewer systems.
8. If development on the Subject Property has been previously approved but not completed prior to the complete execution of this Agreement, apply for and receive a water and sewer allocation for any subsequent uncompleted phase pursuant to the Town's Allocation Ordinance prior to commencing any uncompleted phase.

B. TOWN MAY:

Upon acceptance by the Town of the (1) Improvements, (2) approved as-built drawings, and (3) a two year guarantee bond to cover the required Improvements (as required by Paragraph II.E of this Agreement), surrender appropriate portions of the original performance and payment bonds. The original amount of the performance and payment bonds may be reduced from time to time as entire phases, including Improvements, of the development on the Subject Property are completed, and are recommended for approval by the Town's Engineer and approved by Town.

II. DEVELOPER'S GENERAL RESPONSIBILITIES. In addition to the specific responsibilities contained herein, the DEVELOPER SHALL have the following additional responsibilities.

A. Where applicable, prepare and record Subdivision Plats and/or Covenants and Restrictions as required by Town Code. The owners of the Subject Property shall be

responsible for repair and maintenance of all onsite public or private open space, including but not limited to stormwater management systems, piping, swales, landscaping, etc. that are not located on property owned or dedicated to the Town.

B. The Developer agrees that construction on the Subject Property shall not commence until the Town gives written authorization to the Developer. Prior to starting construction work, Developer shall have:

1. Caused the contractor to furnish certificates of insurance naming the Town as an additional insured under terms and dollar limits established by the Town;

2. Conducted one or more pre-construction meetings, as may be required by the Town and which are attended by the Town Engineer, Town Staff and relevant agencies and utilities; and

3. Caused its contractor to have obtained proper permits from all appropriate agencies and notified the Miss Utility program.

C. Provide all testing to assure, as necessary, that construction is consistent with approved Construction Plans and the Town Standards.

D. Cooperate with the Town Engineer and Town Staff in accordance with any stop work order issued by the Town for unacceptable work conducted by the Developer or its contractor.

E. Provide to the Town a two year guarantee bond in the amount of 10% of the approved construction cost estimate for all Improvements, with the term of such bond to commence upon acceptance by the Town of the dedicated Improvements.

F. Secure all necessary permits from the Town and other applicable agencies, including but not limited to the Maryland Department of the Environment, Maryland

Department of Natural Resources, Critical Area Commission, State Highway Administration, Worcester County Department of Development Review and Permitting, Worcester County Fire Marshal, and the Worcester Soil Conservation District.

G. Permit the Town Engineer and Town Staff to: (1) inspect any Improvements to be dedicated to the Town; and (2) provide guidance and/or recommendations to the Developer and its contractor regarding construction materials, construction equipment and method of construction in order to assure such work is performed in compliance with the Town Standards and the approved Construction Plans.

H. Should there be a significant change to the anticipated construction cost, the Developer and its contractor shall submit revised estimates and justification to the Town and Town Engineer for review and modification of any Bonds if required by the Town.

I. Following completion of construction, or earlier if required by the Town Standards, the Developer shall be responsible for submission of as-built drawings of all Improvements to ensure compliance with approved Construction Plans. The as-builts shall also show the location of all non-Town utilities such as, but not limited to, electric, gas and all communication lines. The as-built drawings must be sealed by a professional land surveyor, property line surveyor or engineer registered in Maryland. Performance and payment bonds will not be released until these as-builts are submitted to and accepted by the Town.

J. Dedicate to the Town all Improvements located on property owned by or dedicated to the Town by easement and/or Record Plat.

III. TOWN'S GENERAL RESPONSIBILITIES. In addition to the specific responsibilities described in Section I, the TOWN SHALL:

Revised 3/16/09

A. Provide Developer's design engineers with Town Standards upon payment of any and all fees therefor;

B. Review and accept or present exception to any changes required to plans for work covered by this Agreement within a reasonable time period; and

C. Provide municipal services to the Subject Property after final acceptance of all Improvements and receipt of the guarantee bond and all required fees.

IV. MISCELLANEOUS PROVISIONS.

A. Developer shall use a contractor previously approved by the Town for construction of the particular type of Improvements. Payment to the contractor shall be the Developer's responsibility. The Town may suspend or cancel construction when the contractor does not progress in a reasonable manner, and/or the construction method or materials supplied are less than the standard set forth in the Town Standards. The type and quantity of material testing will be determined by the Town and Town Engineer during construction, as described in the Town Standards. Testing costs shall be the responsibility of the Developer.

B. Developer shall require its contractor to obtain the latest version of the Town Standards. The contractor shall have a copy of this manual, in addition to Construction Plans, and other pertinent construction information at the construction site until completion of construction.

C. The Developer shall be responsible for all costs associated with construction above and beyond the estimated preconstruction costs which the Town deems necessary to meet current Town construction requirements.

D. Developer acknowledges that work completed by its contractor subsequent to a stop work order may not be accepted for final dedication by the Town unless the Town determines, in its discretion, to do so. In the event work completed by the Developer's contractor subsequent to the issuance of a stop work order is included in a completed system, such system will not be connected to the Town system unless the Town, in its sole discretion, decides to connect such system.

E. Developer acknowledges that all snow removal, refuse collection and disposal are the sole responsibility of the Developer until such time as the streets on the Subject Property are accepted by the Town.

F. Developer agrees that, notwithstanding written acceptance of improvements by the Town, Developer shall be responsible for repairs, maintenance and/or deficiencies which are required, discovered, or determined to be required, for a period of two years after the date of acceptance by the Town.

G. Developer agrees that the Town will not accept or activate any utility which has not been constructed in accordance with the Town Standards.

H. Developer agrees that in case of a conflict or discrepancy between Construction Plans and applicable Town Standards, the Town reserves the right to issue instructions to the contractor, as deemed necessary to assure compliance with the Town Standards. The Developer shall be responsible for any change in cost associated with achieving compliance with the Town Standards.

I. As used in this Agreement and those which may follow herefrom, the terms, "bond" and "letter of credit" shall be understood to include alternative means or vehicles by which Developer may post security as may be approved by the Town.

J. This Agreement is, and shall be, binding upon the Developer, its successors and assigns, and is intended to burden and run with the land upon which the Subject Property is located. This Agreement contains the entire agreement between the Parties and may not be modified, amended or terminated except by a written agreement specifically referring to this Agreement and signed by the Parties prior to the effective date of any such modification, amendment or termination. The recitals set forth above on pages 1 and 2 are incorporated herein and made a part of this Agreement.

[signature pages follow]

ATTEST:

ATTEST:

DEVELOPER:

BY: Windy Way Farm, Inc.  Pres.

BY: _____

BY: _____

TOWN:

**MAYOR AND COUNCIL
OF BERLIN**, a municipal corporation
of the State of Maryland

BY: _____

STATE OF MARYLAND, COUNTY OF WORCESTER

I hereby certify that on this _____ day of _____, 20____, before me, the undersigned officer, personally appeared, _____, and on his/her behalf did acknowledge the foregoing instrument to be the act and deed of _____

As witness, I set my hand and official seal.

(SEAL)

Notary Public

My commission expires:

STATE OF MARYLAND, COUNTY OF WORCESTER

I hereby certify that on this _____ day of _____, 20____, before me, the undersigned officer, personally appeared, _____, _____ of the Town of Berlin, a municipal corporation of the State of Maryland, and on his/her behalf did acknowledge the foregoing instrument to be the act and deed of said corporation.

As witness, I set my hand and official seal.

(SEAL)

Notary Public

My commission expires:

WATER AND SEWER USE AND ALLOCATION AGREEMENT

Made this ____ day of August, 2011 by and between Stout Charles L & Raymond S Smethurst Jr & G A Purnell Trustee hereinafter referred to as "Owner", and the Town of Berlin, hereinafter referred to as "Berlin or "Town of Berlin".

WITNESSETH:

Whereas, the Owner is the owner in fee simple of certain property located in Worcester County, Maryland and known as Purnell Crossing South/Broad Street, Berlin, MD., Tax Map 0300 : Parcel 1221 hereinafter referred to as the "Property"; and

Whereas, the Property consists of a vacant lot. The vacant lot is assigned 1 EDU.

Whereas, Berlin Standards and Specifications require the following:

Whereas, the Property is allocated under policies and procedures of Berlin a Water and Sewer allocation of one (1) Equivalent Dwelling Unit ("EDU) equal to 250 gpd; and

Whereas, the Owner may in the future desire to subdivide the Property, or divide the Property by metes and bounds or by other means for the purpose of sale or otherwise change the permitted uses or intensify or increase a previously permitted use on the Property so as to modify the water and sewer usage attributable to the Property; and

Whereas, this Agreement is not intended and shall not be construed as authorizing any EDU's in addition to the one (1)EDU(s) allocated to the Property; and

Whereas, this Agreement is intended only to authorize the specific uses so as to assure the Town of Berlin that the use of the Property does not utilize in excess of one (1) EDU(s), not to exceed 250 gpd.

Now, Therefore, inconsideration of permission granted by the Town of Berlin to allow Owner of Owner's successors, personal representatives and assigns, a water and sewer allocation from the Town of Berlin equal to one (1) EDU(s) or 250 gpd for the Project, the Owner does hereby covenant and agree for itself, and for all its purchasers, lessees, successors and assigns, to and with the Town of Berlin, as follows:

1. Historical metered flows were determined by the master meter on the Property from 24 months of continuous usage immediately prior to the approval date of this agreement and these flows were used in the allocation of one (1) EDU(s) or 250 gpd.
2. Owner specifically acknowledges and agrees that any changes to the approved use including any increase to or enhancement of a previously approved use may not be made without the prior express written approval of the Town of Berlin.
3. The Property is only approved for one (1) EDU, Owner is to notify the Town of Berlin for approval of any change in use or ownership. The Owner further agrees and understands that a Zoning Permit shall be required for any change of use.
4. Flow projections for the Property shall be calculated by the Town utilizing the flow projections provided in the Guidance Document, titled Wastewater Capacity Management Plans, 2006, published by the State of Maryland Department of the Environment, as amended, ("Guideline") except for medical office use.
5. Effective December 31, 2006, when the proposed use is for medical office space, flow projections for such use shall be calculated by the Town by multiplying the gross square footage of such medical office space times 0.10 to determine the projected flow in gallons per day ("Medical Office Guideline".)
6. Effective February 25, 2008, when the proposed use is for carry-out only, flow projection for such use shall be calculated by the Town by multiplying the gross square footage, to include all seating and food preparation area, including non-public space behind the counter but not a walk in refrigerated space if within the footprint of the building, times 0.5 gpd to determine the projected flow in gallons per day. If seating is planned the numbers of seats are multiplied by 25 gpd and the greater flow of the seating or square foot flow will be used. ("Carry-out Guideline".)
7. The Town shall review each request for a change in use, expansion of the use, or intensification of the use and, within 45 days of submission, calculate the projected flow pursuant to the Guidelines and Medical Office Guideline. Uses, which result in projected or actual flows in excess of the EDU allocated hereunder, shall not be permitted. The Town may extend the 45 day period provided that it notifies the Owner in writing that it requires additional time to calculate the projected flow.
8. The foregoing covenants shall be deemed to run with and bind the Property and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. Enforcement by the Town may include but not be limited to injunctive relief, the application of use surcharges or other fees or any other remedy deemed appropriate by the Town.

IN WITNESS WHEREOF, the parties hereto set their hands and seals as of the day and year first above written.

ATTEST:

OWNER's Name

Type name & title if any (Seal)

STATE OF MARYLAND, WORCESTER COUNTY, TO WIT:

I HEREBY CERTIFY that on this ____ day of _____, 2011, before me, a Notary Public of the State and County aforesaid, personally appeared _____ and acknowledged the foregoing agreement to be his/her respective act.

AS WITNESS my hand and Notarial Seal.

Notary Public
My commission expires:

ATTEST:

OWNER's Name

Type name & title if any (Seal)

STATE OF MARYLAND, WORCESTER COUNTY, TO WIT:

I HEREBY CERTIFY that on this ____ day of _____, 2011, before me a Notary Public of the State and County aforesaid, personally appeared _____ and acknowledged the foregoing agreement to be his/her respective act.

AS WITNESS my hand and Notarial Seal.

Notary Public
My Commission expires:

Lien Holder Consent

The undersigned is joining in the execution of this Water and Sewer Allocation Agreement, solely for the purposes of (a) consenting to the terms hereof, and (b) agreeing that this Agreement shall not be terminated or affected in any manner by a foreclosure or other transfer of the Property under the Deed of Trust recorded in Liber _____ Folio _____.

WITNESS

By: _____
Name: _____
Title: _____

Town of Berlin

ATTEST:

STATE OF MARYLAND, WORCESTER COUNTY, TO WIT:

I HEREBY CERTIFY that on this _____ day of _____, 2011, before me, a Notary Public of the State and County aforesaid, personally appeared _____ and acknowledged himself to be the _____ of the Town of Berlin, and that he, as such _____, being authorized so to do, executed the foregoing agreement for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

Notary Public
My commission expires:

RESOLUTION NO. 2011-07

A RESOLUTION OF THE COUNCIL OF MAYOR AND COUNCIL OF BERLIN (THE "TOWN"), TO ISSUE AND SELL, UPON THE TOWN'S FULL FAITH AND CREDIT, A GENERAL OBLIGATION INSTALLMENT BOND IN THE AGGREGATE PRINCIPAL AMOUNT OF TWO MILLION FOUR HUNDRED SIXTY-TWO THOUSAND DOLLARS (\$2,462,000.00), PURSUANT TO THE AUTHORITY OF SECTIONS 31 TO 37, INCLUSIVE, OF ARTICLE 23A OF THE ANNOTATED CODE OF MARYLAND, AS REPLACED, SUPPLEMENTED OR AMENDED, SECTIONS C7-19 AND C7-19.1 OF THE CHARTER OF THE TOWN OF BERLIN, AS PUBLISHED IN MUNICIPAL CHARTERS OF MARYLAND, VOLUME 1, 2008 REPLACEMENT EDITION, AS REPLACED, SUPPLEMENTED OR AMENDED, AND ORDINANCE NO. 2011-01, PASSED BY THE COUNCIL OF THE TOWN ON JANUARY 24, 2011, APPROVED BY THE MAYOR OF THE TOWN ON JANUARY 24, 2011 AND EFFECTIVE ON FEBRUARY 14, 2011, THE BOND TO BE DESIGNATED "MAYOR AND COUNCIL OF BERLIN WASTEWATER SYSTEM IMPROVEMENTS BOND OF 2011", FOR THE PUBLIC PURPOSE OF FINANCING OR REIMBURSING ALL OR A PORTION OF THE COST OF ANY ONE OR MORE ACTIVITIES RELATING TO UPGRADING THE TOWN'S WASTEWATER TREATMENT SYSTEM BY UNDERTAKING A PROJECT REFERRED TO AS THE "EFFLUENT STORAGE AND IRRIGATION SYSTEM PROJECT", WHICH INCLUDES, WITHOUT LIMITATION, ACQUIRING CERTAIN PROPERTY, EXTENDING A LINE OR LINES FROM AN EXISTING SPRAY SITE TO THE NEW PROPERTY, CONSTRUCTING AND EQUIPPING A SPRAY IRRIGATION AND DISPOSAL SYSTEM ON SUCH NEW PROPERTY, AND UNDERTAKING RELATED ACTIVITIES, TOGETHER WITH THE ACQUISITION OF NECESSARY PROPERTY RIGHTS AND EQUIPMENT, RELATED SITE AND UTILITY IMPROVEMENTS AND RELATED PLANNING, DESIGN, ENGINEERING, CONSTRUCTION, INSTALLATION, IMPROVEMENT, EQUIPPING, FINANCIAL, AND LEGAL EXPENSES AND COSTS OF ISSUANCE; PRESCRIBING THE FORM AND TENOR OF THE BOND AND THE TERMS AND CONDITIONS FOR THE ISSUANCE AND SALE THEREOF AT A PRIVATE NEGOTIATED SALE AND NOT AT PUBLIC SALE TO THE UNITED STATES OF AMERICA ON ITS OWN BEHALF OR ACTING THROUGH ANY DEPARTMENT, DIVISION, AGENCY OR INSTRUMENTALITY THEREOF; PROVIDING THAT THE BOND WILL BE PAYABLE IN THE FIRST INSTANCE FROM REVENUES RECEIVED IN CONNECTION WITH THE OPERATION OF THE TOWN'S WASTEWATER SYSTEM; PROVIDING FOR THE LEVY AND COLLECTION OF AD VALOREM TAXES SUFFICIENT FOR THE PROMPT PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BOND; PROVIDING THAT THE FULL FAITH AND CREDIT AND UNLIMITED TAXING POWER OF THE TOWN SHALL BE IRREVOCABLY PLEDGED TO THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BOND; PROVIDING THAT PRINCIPAL OF AND INTEREST ON THE BOND MAY BE PAYABLE FROM OTHER SOURCES LEGALLY AVAILABLE FOR THAT PURPOSE; MAKING OR PROVIDING FOR CERTAIN REPRESENTATIONS AND CERTIFICATIONS RELATING TO THE TAX-EXEMPT STATUS OF THE BOND;

AND GENERALLY RELATING TO THE ISSUANCE, SALE, DELIVERY AND PAYMENT OF AND FOR THE BOND.

RECITALS

WHEREAS, Mayor and Council of Berlin, a municipal corporation of the State of Maryland (the "Town"), is authorized and empowered by Sections 31 to 37, inclusive, of Article 23A of the Annotated Code of Maryland, as replaced, supplemented or amended (the "Enabling Act"), and Sections C7-19 and C7-19.1 of the Charter of the Town of Berlin, as published in Municipal Charters of Maryland, Volume 1, 2008 Replacement Edition, as replaced, supplemented or amended (the "Charter"), to borrow money for any proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds; and

WHEREAS, pursuant to Ordinance No. 2011-01, passed pursuant to the Enabling Act and the Charter by the Council of the Town (the "Council") on January 24, 2011, approved by the Mayor of the Town (the "Mayor") on January 24, 2011 and effective on February 14, 2011 (the "Ordinance"), the Town authorized the issuance and sale from time to time, upon its full faith and credit, of one or more series of its general obligation bonds in an aggregate principal amount not to exceed Ten Million Dollars (\$10,000,000.00) (the "Authorized Bonds"), and the Ordinance provides that any such series may consist of one or more bonds and that any bond may be issued in installment form and/or draw-down form; and

WHEREAS, the Ordinance provides that the proceeds of the Authorized Bonds are to be used and applied for the public purpose of financing, reimbursing or refinancing all or a portion of the cost of any one or more activities relating to upgrading the Town's wastewater treatment system by undertaking a project referred to as the "Effluent Storage and Irrigation System Project", which includes, without limitation, acquiring certain property, extending a line or lines from an existing spray site to the new property, constructing and equipping a spray irrigation and disposal system on such new property, and undertaking related activities, together with the acquisition of necessary property rights and equipment, related site and utility improvements and related planning, design, engineering, construction, installation, improvement, equipping, financial, and legal expenses and costs of issuance and, if the Council so determines by resolution, interest during construction and for a reasonable period thereafter (collectively, the "Authorized Project"); and

WHEREAS, prior to the date of issuance of the Authorized Bond provided for herein, either (i) the Town will have paid from funds on hand all of the Authorized Project costs to be reimbursed from proceeds of such Authorized Bond or (ii) the Town will have paid from funds on hand a portion of the Authorized Project costs, which will be reimbursed from proceeds of such Authorized Bond, and remaining Authorized Project costs to be funded or reimbursed from such Authorized Bond proceeds will be advanced by the United States Department of Agriculture ("USDA") to the Town in accordance with the provisions of this Resolution; and

WHEREAS, with the consent of USDA, and in accordance with Sections 2 and 3 of the Ordinance, the Town desires to issue an Authorized Bond, in the form of a single general obligation installment bond in the amount of Two Million Four Hundred Sixty-two Thousand

Dollars (\$2,462,000.00), and to apply proceeds of the same as described in the preceding WHEREAS clause; and

WHEREAS, in accordance with Section 4 of the Ordinance, the Town has determined that it is in the best interests of the Town and its citizens to sell an Authorized Bond at a private negotiated sale and not at public sale to the United States of America on its own behalf or acting through any department, division, agency or instrumentality thereof, based on the beneficial interest rate and other beneficial terms offered by such purchaser.

SECTION 1. NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF MAYOR AND COUNCIL OF BERLIN that the Recitals hereto constitute an integral part of this Resolution and are incorporated herein by reference. Capitalized terms used in the remaining of this Resolution and not defined herein shall have the meanings given to such terms in the Recitals.

SECTION 2. BE IT FURTHER RESOLVED that pursuant to the authority of the Enabling Act, the Charter and the Ordinance, the Town hereby determines to borrow money and incur indebtedness for the public purpose of financing or reimbursing all or a portion of the cost of any one or more activities relating to upgrading the Town's wastewater treatment system by undertaking a project referred to as the "Effluent Storage and Irrigation System Project", which includes, without limitation, acquiring certain property, extending a line or lines from an existing spray site to the new property, constructing and equipping a spray irrigation and disposal system on such new property, and undertaking related activities, together with the acquisition of necessary property rights and equipment, related site and utility improvements and related planning, design, engineering, construction, installation, improvement, equipping, financial, and legal expenses and costs of issuance (collectively, the "Project"). The total cost of the Project not covered by grants, loans or funds otherwise available to the Town will not be less than Two Million Four Hundred Sixty-two Thousand Dollars (\$2,462,000.00).

SECTION 3. BE IT FURTHER RESOLVED that to evidence the borrowing and indebtedness authorized in Section 2 of this Resolution, the Town, acting pursuant to the authority of the Enabling Act, the Charter and the Ordinance, shall issue and sell, upon its full faith and credit, a general obligation installment bond in the aggregate principal amount of Two Million Four Hundred Sixty-two Thousand Dollars (\$2,462,000.00), to be known as "Mayor and Council of Berlin Wastewater System Improvements Bond of 2011" (the "Bond"). The proceeds of the sale of the Bond shall be used and applied as described in the Recitals to this Resolution and as provided in Section 2 hereof.

SECTION 4. BE IT FURTHER RESOLVED that (a) the Bond shall be issued and sold upon the full faith and credit of the Town, shall be dated the date of delivery, and shall be issued in the form of a single fully-registered installment bond, without coupons attached, in the principal denomination of Two Million Four Hundred Sixty-two Thousand Dollars (\$2,462,000.00).

(b) The Bond shall bear interest on the unpaid principal balance from its date at the rate of two and five-tenths percent (2.50%) per annum. Debt service on the Bond will be payable in two annual installments followed by seventy-six (76) semi-annual installments, the first two (2) annual installments being interest only and the remaining seventy-six (76) semi-

annual installments being in the amount of Fifty Thousand Three Hundred Seventy-three Dollars (\$50,373.00) each or such other amount as shall be calculated by USDA prior to issuance of the Bond as being the amount necessary to amortize the Bond on the schedule provided for in this Section 4. Notwithstanding the foregoing, the last such installment payable on the Bond shall be in such greater or lesser amount as is calculated to be necessary to fully amortize principal and interest due on the Bond. The first installment of interest only on the Bond shall be due and payable on the date twelve months following the date of issuance of the Bond (or such earlier date occurring within the twelfth month following the date of issuance of the Bond as may be required by the Purchaser (as defined in Section 9) in accordance with applicable law and regulations) and the second installment of interest only shall be payable on the date twenty-four months following the date of issuance of the Bond (or such earlier date occurring within the twenty-fourth month following the date of issuance of the Bond as may be required by the Purchaser in accordance with applicable law and regulations); the first installment of principal of and interest on the Bond shall be due and payable on the date thirty months following the date of issuance of the Bond (or such earlier date occurring within the thirtieth month following the date of issuance of the Bond as may be required by the Purchaser in accordance with applicable law and regulations) and subsequent installments of principal of and interest on the Bond shall be payable at six-month intervals thereafter until the principal of and interest on the Bond are fully paid, except that the final installment of the entire indebtedness evidenced by the Bond, if not sooner paid, shall be due and payable on the date that is forty (40) years from the date of issuance of the Bond (or such earlier date occurring within the month in which the 40th anniversary of the date of issuance of the Bond occurs as may be required by the Purchaser in accordance with applicable law and regulations), and except that prepayments may be made as provided in Section 5 of this Resolution.

(c) The registered owner of the Bond will make advances of the principal amount of the Bond to the Town as provided herein to be applied to pay and/or reimburse costs of the Project in accordance with applicable rules and regulations of USDA. Once advances totaling Two Million Four Hundred Sixty-two Thousand Dollars (\$2,462,000.00) have been made, no further advances may be made under the Bond. Each request for an advance under the Bond may be made by any one or more of the following officials of the Town: the Mayor, the Town Administrator, the Deputy Town Administrator and/or the Director of Finance. By resolution or other appropriate action, the Council may authorize one or more additional or different officials to request advances under the Bond or revoke the authority of any previously named official to request advances of the proceeds of the Bond. Any advance of principal of the Bond and the amount available to be drawn on the Bond, shall be noted on Schedule A to the Bond by the registered owner thereof, but the failure to make any such notation shall not affect the validity or legal effect of any advance made. If the proceeds of the Bond available to be advanced exceed the amount actually expended or required for such public purpose, the amount of such unexpended excess shall be applied to the prepayment of the Bond, unless a supplemental action is taken by the Council to provide for the expenditure of that excess for some other valid purpose authorized by the Enabling Act and the Charter, and except that the unexpended excess shall be applied in accordance with United States of America regulations, practices and policies applicable from time to time.

SECTION 5. BE IT FURTHER RESOLVED that the Town shall have the right to prepay scheduled installments, or any portion thereof, at any time at par without premium or

penalty. Prepayments and any refunds or extra payments, as designated in the regulations of the United States of America according to the source of funds involved shall, after payment of interest then due on the Bond, be applied to the installments of principal last to become due under the Bond and shall not affect the obligation of the Town to pay the remaining principal of and interest on the Bond as and when due. Notice of prepayment shall be given at least thirty (30) days prior to the prepayment date (or such fewer number of days as is acceptable to the registered owner of the Bond) by mailing to the registered owner a notice fixing the prepayment date and the amount to be prepaid.

SECTION 6. BE IT FURTHER RESOLVED that the Bond shall be executed in the name of the Town and on its behalf by the Mayor. The corporate seal of the Town shall be affixed to the Bond and attested to by the signature of the Town Administrator of the Town (the "Town Administrator"). The principal of and interest on the Bond shall be paid by check or draft mailed (by depositing such check or draft, correctly addressed and postage prepaid, in the United States mail on or before the payment date) to the registered owner at its address as it appears in the books kept for that purpose at the office of the Town Administrator, if such address is within the United States of America; otherwise, the principal of and interest on the Bond shall be paid at the office of the Town Administrator in Berlin, Maryland. For so long as the registered owner of the Bond is the United States of America, acting through any department, division, agency or instrumentality thereof, principal and interest on the Bond shall be paid through the Preauthorized Debit (PAD) process, unless otherwise required by such registered owner. Notwithstanding the foregoing, the Town Administrator and the registered owner may agree to any other commercially reasonable method of payment of principal of and interest on the Bond (including, by way of illustration and not in limitation, by wire or electronic funds transfer). In the event any official whose signature appears on the Bond shall cease to be such official prior to delivery of the Bond, or, in the event any official whose signature appears on the Bond shall have become such official after the date of issue thereof, the Bond shall, nevertheless, be a valid and legally binding obligation of the Town in accordance with its terms.

SECTION 7. BE IT FURTHER RESOLVED that the Bond shall be transferable only upon the books kept for that purpose by the Town Administrator at the Town office, by the registered owner thereof in person or by his duly authorized attorney, upon surrender thereof, together with a written instrument of transfer satisfactory to the Town Administrator, duly executed by such registered owner or duly authorized attorney. At the expense of any transferor, other than the United States of America on its own or acting through any department, division, agency or instrumentality thereof, the Town shall, within a reasonable time, issue in the name of the transferee a new registered bond or bonds, in denominations of \$100.00 and integral multiples thereof and in such odd denomination or denominations as may be requested by the transferee and approved by the Town Administrator on behalf of the Town, or as otherwise required by the regulations of the United States of America, if applicable, in an aggregate principal amount equal to the unpaid principal amount of the Bond surrendered, and with the same maturity, series, installment payment dates and interest rate. If more than one bond is issued upon any such transfer, the installment of principal and interest to be paid on each such bond on each payment date shall be equal to the product of the following formula: the total installment due on the bonds of the same series bearing interest at the same rate on such payment date multiplied by a fraction, the numerator of which shall be the unpaid principal amount of such bond and the denominator of which shall be the aggregate principal amount of bonds of the

same series bearing interest at the same rate then outstanding and unpaid, or as otherwise required by the regulations of the United States of America, as applicable. No Bond shall be transferred upon the books kept by the Town except upon payment of any taxes on, and any shipping or insurance expenses relating to, such transfer; provided, however, that if the United States of America or any department, division, agency or instrumentality thereof is the owner of the bond or bonds sought to be transferred, the costs thereof shall be borne by the Town. In the event the Bond is ever transferred or exchanged for more than one bond of such series, references in this Resolution to the "Bond" shall be deemed to refer to all bonds of such series and references in this Resolution to the "owner" of the Bond shall be deemed to refer to the registered owners of all bonds of the same series as the Bond, as the context requires.

SECTION 8. BE IT FURTHER RESOLVED that except as provided hereinafter or in a resolution or resolutions of the Council adopted prior to the issuance of the Bond, the Bond shall be issued in substantially the form attached hereto as Exhibit A and incorporated by reference herein. Appropriate variations and insertions shall be made by the Mayor to provide dates, numbers and amounts, including to reflect any amortization schedule calculated by USDA in accordance with Section 4(b) hereof prior to issuance of the Bond, and modifications not altering the substance of the Bond may be made by the Mayor. All of the covenants contained in Exhibit A are hereby adopted by the Town as and for the form of obligation to be incurred by the Town, and the covenants and conditions are hereby made binding upon the Town, including the promise to pay therein contained.

SECTION 9. BE IT FURTHER RESOLVED that the Bond shall be sold at a private negotiated sale and not at public sale to the United States of America on its own behalf or acting through any department, division, agency or instrumentality thereof (the "Purchaser") at a price of par.

SECTION 10. BE IT FURTHER RESOLVED that as soon as may be practicable, the Bond shall be suitably prepared in definitive form, executed and delivered to the Purchaser upon receipt of the first advance of proceeds of the Bond. The Mayor, the Town Administrator, the Deputy Town Administrator, the Director of Finance and all other appropriate officials and employees of the Town are expressly authorized, empowered and directed to take any and all action necessary to complete and close the award, sale and delivery of the Bond to the Purchaser and to carry out and effectuate the transactions contemplated hereby, and to negotiate, execute and deliver all documents, certificates and instruments necessary or appropriate in connection therewith, including, without limitation, making such changes or modifications in the form of Bond adopted herein as may be necessary or appropriate to comply with United States of America regulations, practices and policies applicable from time to time.

SECTION 11. BE IT FURTHER RESOLVED that the proceeds of the sale of the Bond shall be paid (i) directly to the Town and shall be deposited by the Town Administrator or other appropriate municipal official in the proper municipal accounts and/or (ii) directly to a third party at the direction of the Mayor and/or other appropriate Town official. The proceeds of the sale of the Bond are hereby appropriated for, and shall be used and applied by the Town exclusively and solely for, the public purpose described in Section 2 hereof. The Mayor and the Town Administrator, on behalf of the Town, are hereby authorized to determine the categories of

expenditures listed in Section 2 hereof to which proceeds of the Bond shall be applied and the amount of proceeds to be applied to expenditures in any such category.

SECTION 12. BE IT FURTHER RESOLVED that the principal of and interest on the Bond will be payable in the first instance from revenues received in connection with the operation of the Town's wastewater system, including for use of or connection to such system. In the event such revenues are or will be insufficient in any fiscal year to provide for the prompt payment, when due, of the principal of and interest on the Bond, the Town shall levy or cause to be levied, for each and every fiscal year during which the Bond may be outstanding, ad valorem taxes upon all real and tangible personal property within its corporate limits subject to assessment for unlimited municipal taxation in rate and amount sufficient to provide for the payment, when due, of the principal of and interest on the Bond payable in each such fiscal year and, in the event the proceeds from the collection of the taxes so levied may prove inadequate for such purposes in any fiscal year, additional taxes shall be levied in the subsequent fiscal year to make up any deficiency. The full faith and credit and unlimited taxing power of the Town are hereby irrevocably pledged to the prompt payment of the principal of and interest on the Bond as and when the same are payable and to the levy and collection of the taxes hereinabove described as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of the Bond. The Town hereby covenants and agrees with the registered owner of the Bond to take any action that may be lawfully appropriate from time to time during the period that the Bond remains outstanding and unpaid to provide the funds necessary to pay promptly the principal and interest due thereon. The Town hereby covenants and agrees with the registered owner of the Bond to levy and collect the taxes hereinabove described. The foregoing provisions shall not be construed so as to prohibit the Town from paying the principal of and interest on the Bond from the proceeds of the sale of any other obligations of the Town or from any other funds legally available for that purpose. The Town may apply to the payment of the principal of or interest on the Bond any funds received by it from the State of Maryland or the United States of America, or any governmental agency or instrumentality, or from any other source, if such funds are granted or paid to the Town for the purpose of assisting the Town in accomplishing the type of project or projects which the Bond is issued to finance, and to the extent of any such funds received or receivable in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.

SECTION 13. BE IT FURTHER RESOLVED that any two of the Mayor, the Town Administrator and the Director of Finance are the officials of the Town responsible for the issuance of the Bond within the meaning of Section 1.148-2(b)(2) of the Arbitrage Regulations (defined below). Any two of the Mayor, the Town Administrator and the Director of Finance also shall be the officials of the Town responsible for the execution and delivery (on the date of the issuance of the Bond) of a certificate of the Town (the "Section 148 Certificate") that complies with the requirements of Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder (the "Arbitrage Regulations"); and such officials are hereby authorized and directed to execute and deliver the Section 148 Certificate to counsel rendering an opinion on the validity of the Bond on the date of the issuance of the Bond.

The Town shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Bond or of any monies, securities or other obligations to the credit of any account of the Town which may

be deemed to be proceeds of the Bond pursuant to Section 148 or the Arbitrage Regulations (collectively, the "Bond Proceeds"). The Town covenants with the registered owner of the Bond that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the Town's reasonable expectations on the date of issuance of the Bond and will be, to the best of the certifying officials' knowledge, true and correct as of that date.

The Town covenants with the registered owner of the Bond that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Bond Proceeds that would cause the Bond to be an "arbitrage bond" within the meaning of Section 148 and the Arbitrage Regulations, and that it will comply with those provisions of Section 148 and the Arbitrage Regulations as may be applicable to the Bond on the date of issuance and which may subsequently lawfully be made applicable to the Bond as long as the Bond remains outstanding and unpaid.

The Town covenants that it will comply with the provisions of the Internal Revenue Code of 1986, as amended, applicable to the Bond, including, without limitation, compliance with provisions regarding the timing of the expenditure of the proceeds of the Bond, the use of such proceeds and the facilities financed with such proceeds, the restriction of investment yields, the filing of information with the Internal Revenue Service, and the rebate of certain earnings resulting from the investment of the proceeds of the Bond or payments in lieu thereof. The Town further covenants that it shall make such use of the proceeds of the Bond, regulate the investment of the proceeds thereof and take such other and further lawful actions as may be required to maintain the exemption from federal income taxation of interest on the Bond. All appropriate officers, employees and agents of the Town are hereby authorized and directed to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Bond as may be necessary or appropriate.

SECTION 14. BE IT FURTHER RESOLVED that this Resolution shall become effective upon adoption by the Council and approval by the Mayor.

[CONTINUED ON NEXT PAGE]

INTRODUCED THIS _____ DAY OF _____, 2011.

ADOPTED _____ AS INTRODUCED _____ AS AMENDED [CHECK
APPLICABLE LINE] BY THE COUNCIL OF BERLIN BY A VOTE OF ____ (YEAS), ____
(NOS), ____ (ABSTENTIONS) THIS _____ DAY OF _____, 2011.

ANTHONY J. CARSON, JR.
TOWN ADMINISTRATOR

ELROY BRITTINGHAM, SR.
VICE PRESIDENT OF THE COUNCIL

APPROVED BY THE MAYOR THIS _____ DAY OF _____, 2011:

WM. GEE WILLIAMS, III
MAYOR

EFFECTIVE THIS _____ DAY OF _____, 2011.

#139610;50016.013

TOWN ADMINISTRATOR'S REPORT
8-8-11

Purchase Orders

PO# 201200279 in the amount of \$1,452.00 to Sensus for renewal of autoread software support.

PO# 201200304 in the amount of \$11,456.00 to Police Cruisers Ltd for one 2004 Ford Crown Victoria and unlimited mileage warranty.

PO# 201200383 in the amount of \$2,400.00 to D&S Quality Paving for patch work on Abbey Lane and Ann Drive.

PO# 201200262 in the amount of \$1,449.99 to Staples for HP Laserjet Printer for Shirley. Original printer was damaged beyond repair during storm which occurred on July 24th.

PO# 201200384 in the amount of \$1,048.00 to Maryland Department of the Environment of 2011 Air Quality Permit to Operate the Power Plant Emissions.

PO# 201200403 in the amount of \$1,101.45 to Special Fleet Services for safety supplies.

PO# 201200401 in the amount of \$25,217.40 to Pep-Up for 7800 gallons of Ultra low Sulfur oil.

Updates